USA 200 BARBER-GREENE 60

Barber-Greene Annual Report 1976

DIRECTORS

H. A. BARBER, *Retired, Former Chairman,* Barber-Greene Company
EDWARD McC. BLAIR, *Managing Partner,* William Blair & Company (Investment Bankers), Chicago, Illinois
ANTHONY S. GREENE, *Chairman and President,* Barber-Greene Company
WILLIAM A. GREENE, *Vice President, Secretary,* Barber-Greene Company
KARL P. GRUBE, *Business Consultant,* Aurora, Illinois
URBAN HIPP, *Vice President,* Barber-Greene Company
JOHN C. REID, *Partner,* Ivins, Phillips & Barker (Law Firm), Washington, D.C.
JOHN F. STOLLE, *Executive Vice President and Director,* Field Enterprises, Inc. (Publishing Company), Chicago, Illinois

EXECUTIVE OFFICERS

ANTHONY S. GREENE, *Chairman and President*
WILLIAM A. GREENE, *Vice President and Secretary* Administration
DAVID B. HIPP, *Group Vice President* Construction Machinery
URBAN HIPP, *Vice President* Finance
ROBERT C. JOHNSON, *Vice President and Controller*
FRANK J. MERRILL, *Group Vice President* International Operations
MERRILL E. OLSON, *Group Vice President* Minerals Processing Machinery
JAMES H. RICE, *Vice President President,* Mine and Smelter Corporation
DONALD W. SMITH, *Vice President* Products and Operations
JAKE R. SMITH, *Vice President General Manager,* Telsmith Division
WILLIAM J. HOWARD, *Treasurer*

CORPORATE OFFICES
AURORA, ILLINOIS 60507

TRANSFER AGENT
FIRST NATIONAL BANK OF CHICAGO
CHICAGO, ILLINOIS

REGISTRAR
CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST CO.,
CHICAGO, ILLINOIS

COMMON STOCK
TRADED OVER THE COUNTER

DIVISIONS

Contec Controls
Elgin, Illinois
Mintec International
Aurora, Illinois
Telsmith
Milwaukee, Wisconsin

WHOLLY-OWNED SUBSIDIARIES

Barber-Greene Americas, Inc.
Aurora, Illinois
Barber-Greene Canada Limited
Milton, Ontario
Barber-Greene Overseas, Inc.
Aurora, Illinois
B-G-S Engineering, Inc.
Chicago, Illinois

OTHER SUBSIDIARIES

Barber-Greene do Brasil Ind. e Com. S/A.
Sao Paulo, Brazil
Barber-Greene England Limited
Bury St. Edmunds, England
Barber-Greene Europa, B. V.
Zwolle, The Netherlands
Mine and Smelter Corporation
Denver, Colorado

ANNUAL STOCKHOLDERS' MEETING
400 N. Highland Avenue, Aurora, Illinois
2:30 p.m. Chicago Time
Tuesday, December 7, 1976

ANNUAL REPORT (Form 10-K)
Copies of the company's Annual Report for the year ended August 28, 1976 to the Securities and Exchange Commission on Form 10-K are available to stockholders without charge on written request to the Secretary, Barber-Greene Company, 400 N. Highland Avenue, Aurora, Illinois 60507.

Contents

2 Directors and Officers
3 Highlights
4 The President's Letter
6 Markets and Products
8 Operating Highlights
14 Financial Statements
17 Notes to the Financial Statements
20 Summary Information
22 Ten Year Review

COVER PHOTO

Typical of projects undertaken by Mintec International Division is this multi-million dollar material handling and processing system designed and installed for a large steel mill in Argentina.

Barber-Greene Company Highlights

	YEAR ENDED August 28, 1976	August 30, 1975 (Restated)
OPERATING DATA		
Net Sales	$133,582,143	$133,325,739
Net Earnings	5,564,118	5,316,518
FINANCIAL DATA		
Stockholders' Equity	$ 50,295,445	$ 45,044,373
Cash Dividends	852,922	559,933
Working Capital	56,490,287	53,326,921
Additions to Property, Plant and Equipment	3,097,091	4,872,369
Depreciation	1,972,798	1,753,314
PER SHARE DATA		
Net Earnings	$ 3.60	$ 3.49
Cash Dividends	.55	36⅔
Book Value	31.79	29.28
OTHER INFORMATION		
Number of Employees	3,364	3,604
Number of Stockholders	2,160	1,781

Description of the Business
Barber-Greene Company and its subsidiaries are engaged internationally in the design, manufacture and sale of bulk material processing and handling equipment used in road construction, quarries, mining operations and other industrial applications. The Company also operates an engineering services organization and a division that manufactures electrical and electronic controls for industrial processing equipment.

To the Stockholders

1976 was another record year for Barber-Greene, although increases in both net sales and earnings were modest compared to recent years, reflecting the continuing recession in the United States and European construction industries. Net earnings increased to $5,564,000 ($3.60/share), up from last year's $5,317,000. Net sales were a record $133,582,000, compared to $133,326,000 a year ago.

The backlog of unshipped orders at year end was over $45,000,000 an increase of approximately 10% from last year's ending backlog.

While fourth quarter net sales exceeded the third quarter, fourth quarter earnings were down primarily due to increased selling and administrative expenses but were comparable to the prior year's fourth quarter.

Financial

A major goal for the year was debt reduction. We were successful, with the total debt being reduced $13,504,000, bringing our ratio of year-end debt to total capital employed to 29%, down from last year's 42%.

United States/Canada Operations

Net sales for our United States/ Canada operations decreased 4% to $88,603,000 while earnings decreased 7% to $4,207,000. Exports remained very strong through the year, while domestic shipments were at their lowest level in some years. Our backlog of unshipped orders is down approximately 25% from last year's level and, as a consequence, our US factories are operating below capacity. Domestic orders have recovered substantially in recent months, hopefully reflecting the gradual improvement in our United States market.

Product Development

Research and development expense continued at a high level with expenditures during the year totalling over $1,686,000. Development work in recent years in our Construction Machinery Group has now led to the commercialization of our new machine for placing concrete curbs and gutters and highway median barriers. In addition, a new general purpose asphalt paving machine was introduced during the year. Other developments included the introduction of a smaller size asphalt mixing plant again aimed toward the smaller maintenance and resurfacing asphalt paving market.

A number of projects were also concluded in our Minerals Processing Group, carrying forth our thrust toward broader service to the metallic and non-metallic mining industries.

Acquisitions

In October 1976 we announced the acquisition of Mine and Smelter Corporation of Denver, Colorado. Mine and Smelter is a prominent manufacturer of machinery widely used in processing various minerals and metallic ores throughout the world. The accompanying financial statements do not include the results of this acquisition. This company will expand the market for our crushing, screening and bulk material handling equipment. Mine and Smelter was in voluntary bankruptcy under Chapter XI due to previous diversified operations which have since been discontinued. Net sales contribution is expected to be in the 8 to 10 million dollar range in future years.

During recent years our acquisitions have been limited to closely allied situations while our concentration has been toward solidifying our corporate performance and gaining the recognition of this improvement through stock market valuations. Acquisitions will continue to be a part of our growth strategy but must have a logical interface with our basic markets and areas of expertise. We believe our principal growth will continue to be generated internally.

Inventory Levels

Despite disappointing fourth quarter net sales, our inventories remained under close control and were reduced in line with our year's plan. While we are pleased with this improvement, inventory control will remain a prime objective.

Capital Expenditures

Capital expenditures of over 3 million dollars were substantially below last year's record level, as we concluded our major project initiated several years ago to modernize our machining facilities. This total program has been successful in both expanding our mine and quarry equipment manufacturing capacity and in updating our machine tool capability for general productivity improvement.

We plan to further reduce capital expenditures for 1977 to more normal levels of ongoing expenditure.

Labor Contracts

New labor contracts were negotiated for both our Aurora and Canadian

manufacturing facilities. The Canadian contract was for a period of one year and is again under negotiation. No other contracts expire in fiscal 1977.

International Operations

Exports from the United States were again at record levels and largely offset the depressed domestic conditions. While most of these exports were to the Middle East, our world-wide network of dealers were successful in capitalizing on opportunities in many areas of the world. 42% of our domestic production was exported in 1976, up from approximately 30% in 1975.

Sales of our foreign subsidiaries, not including those of our licensees, increased 8% to $46,745,000 and contributed $2,740,000 before eliminations to our consolidated earnings.

In total, 62% of our consolidated sales were either exported or manufactured abroad, compared with last year's 51%.

Barber-Greene England Ltd.:

Barber-Greene England has established new records of both shipments and earnings. Much of this gain was from the continuing upsurge in the Middle East market served from England, with the European market being relatively slow. We have recently seen some improvement in the principal market areas of Europe. The general outlook for this subsidiary, while not expected to be as strong as last year, continues positive.

Barber-Greene do Brasil Ind. e Com. S/A:

Barber-Greene do Brasil also contributed new records in both sales and earnings, continuing their pattern of dynamic growth in service to the Brazilian and neighboring market areas.

The general pace of both Barber-Greene do Brasil and the country of Brazil continues very bright from our perspective. Local legislation requiring a very high degree of Brazilian manufacturing places us in a unique position to capitalize on the dynamic growth of this country.

Other Subsidiaries and Licensees:

Barber-Greene Australia Ltd. operations were discontinued during the year and all activities for the Australian market have now been incorporated with our Australian licensee. This will permit a greater concentration by our licensee and improved return to us.

Barber-Greene Europa B.V. in the Netherlands, was originally conceived to service the European Common Market with specialized products. The company, while profitable, was too small to be a continuing factor in our growth, and thus the factory has been sold with most of its former production being diverted to Barber-Greene England. Barber-Greene Europa will continue nominal operations through limited subcontracting where required.

The financial effect of these changes was not material.

Our licensees in France, England, Spain, South Africa, Mexico and Australia continued to be major contributors to our corporate growth although their sales are not included in our consolidated returns. Their 1976 sales of Barber-Greene products amounted to approximately $16,900,000. Engineering fees and royalties from these licensees are included in other income.

Organization

Our revised organizational structure embracing three group vice presidents, each totally responsible for a specific market, has now been effective for a year. This has proven to be a very positive change for Barber-Greene. We are exceedingly fortunate in having a depth of experienced, youthful managers contributing so greatly to our future growth.

Mr. W. J. Howard was elected to the position of Treasurer. Mr. J. H. Rice, formerly Vice President, Planning and Development, was transferred to Denver to assume direct responsibility for our new acquisition, Mine and Smelter Corporation.

Also during the year, Mr. H. A. Barber, our long-time President and Chairman, retired. He will continue a valuable contribution as a director of the corporation.

We regret to announce the passing of Mr. R. C. Dickerson in September. Mr. Dickerson, a prominent contractor from Champaign, Illinois, had been a director of our company for five years.

Outlook

Domestic construction business was exceptionally low this year. However the recent pace of received orders shows marked improvement giving every confidence that 1977 will be improved over the past year.

The continuing demand for more sophisticated aggregate processing and our previously discussed moves to strengthen our position in the metallic mining industries world-wide gives us considerable optimism in this major market area for the company.

For these reasons, we are optimistic for 1977 and ensuing years. We believe the opportunities based upon the economic and market forecasts available to us, are unusually good for a period of major growth in net sales. Barring further widespread economic chaos, we believe opportunities for profit improvement in the immediate years ahead are comparable to those experienced in our more recent years.

Dividend Action

A quarterly dividend of 20 cents per share was declared payable December 1, 1976 to shareholders of record November 19, 1976, thus raising our indicated annual dividend to 80 cents per share. This represents a 33⅓% increase from recent levels and reflects our continuing confidence in the growth of the company.

We sincerely appreciate the continuing support and confidence from our stockholders, employees, distributors and customers. We trust that we will continue to justify your confidence.

A. Greene

Chairman and President

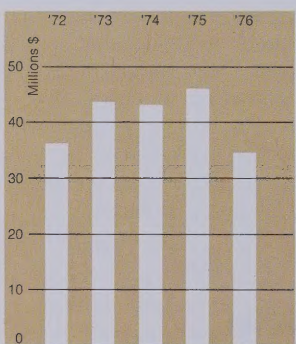
October 22, 1976

Markets and Products

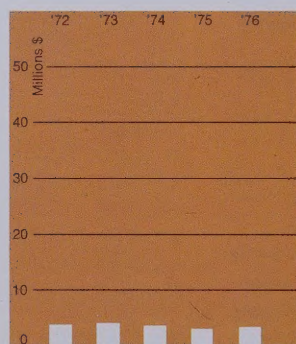
Construction Machinery Group

Asphalt Construction Equipment, which includes asphalt mixing plants, asphalt finishers, plants for producing stabilized base materials, and related replacement parts are sold to highway contractors, asphalt mix producers, and governmental public works departments. Consisting of equipment for feeding, proportioning, drying and sizing raw aggregates, asphalt mixing plants also include components that proportion liquid asphalt, mix asphalt with aggregate, store finished mix, and load it into trucks. Appropriate control systems and dust collection and pollution control units are also integral parts of the total plant. The asphalt finisher line includes a wide range of machines with capabilities to pave a variety of projects from parking lots to multilane superhighways.

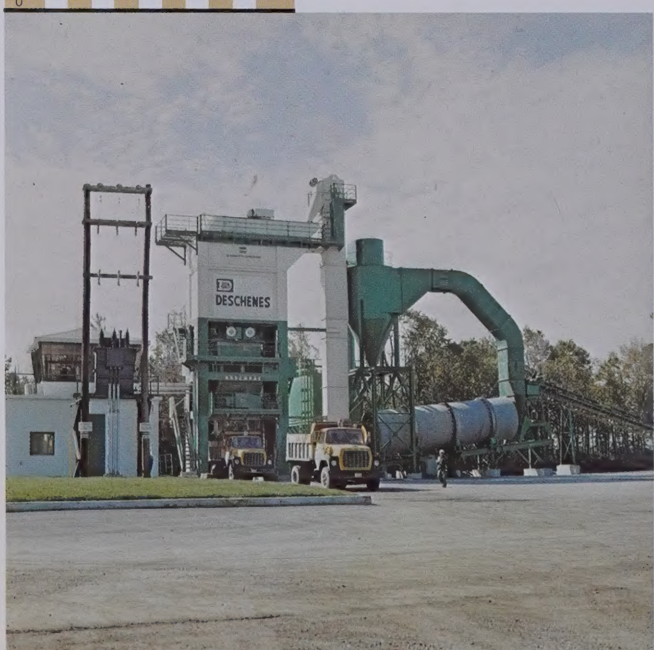
Ditchers, Earthmoving, Curbers, and Miscellaneous include wheel ditchers, excavators, reclaimers, and concrete curbers. Wheel ditchers are used to dig trenches for farm tiling, pipeline construction and underground utilities. Excavators are sold to earthmoving contractors who dig and load out material on large earthmoving projects. Reclaimers, sold as components of bulk materials reclaiming and stockpiling systems, reclaim bulk materials from stockpiles. Curbers perform a variety of concrete paving operations including curb and gutter, sidewalks, and highway median barriers.

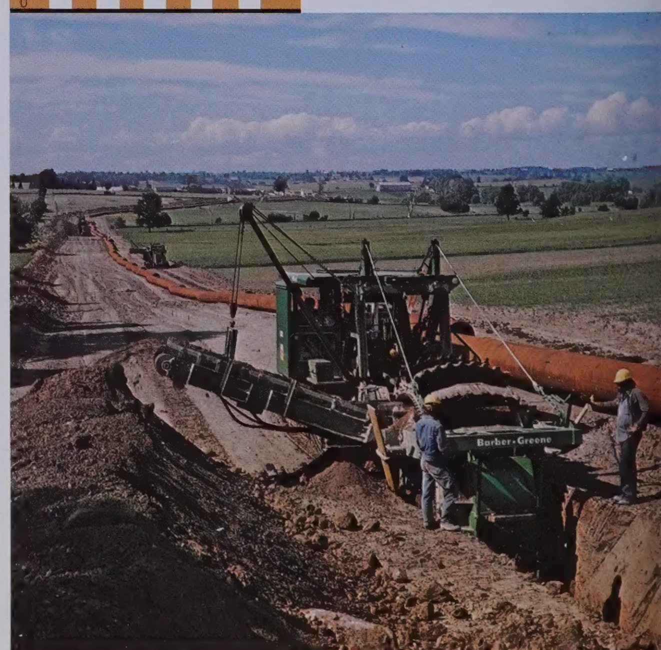


Sales of Asphalt Construction Equipment
U.S. - Canada Operations



Sales of Ditchers, Earthmoving, Curbers, and Miscellaneous
U.S. - Canada Operations

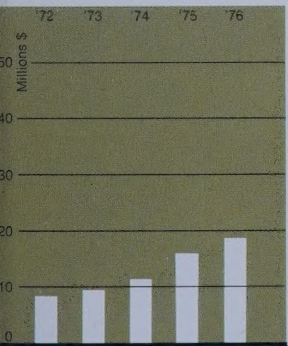




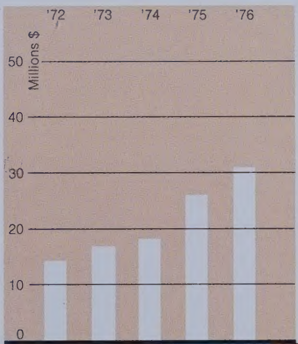
Minerals Processing Machinery Group

Materials Handling Equipment is sold for use in asphalt, quarry, and mineral processing plants. Other customers include coal and metal mining companies, barge and ship loading and unloading terminals, and processing plants. Barber-Greene's line includes stationary and portable belt conveyors and conveyor components, stockpiling and reclaiming equipment, feeders, hopper car and truck unloaders, and portable conveyor screening plants for handling virtually all free-flowing bulk materials. Installations range from single units to complete systems involving thousands of feet of conveyors and requiring specialized engineering, fabrication, field erection, and startup services.

Quarry and Minerals Processing Equipment includes crushers, screens, feeders, scrubbers, washing and classifying equipment and replacement parts. Used primarily to produce clean, sized aggregates or other minerals for many types of construction and mining projects, this equipment is sold to metal and nonmetallic mining companies and to aggregate producers for sand and gravel, quarry, and lightweight aggregate operations. Quarry and minerals processing equipment is sold individually for the purpose of upgrading or expanding existing facilities or as complete plants for both stationary or portable installations.



Sales of Material Handling Equipment
U.S. - Canada Operations



Sales of Quarry and Minerals Processing Equipment
U.S. - Canada Operations

Operating Highlights

Shipments of asphalt construction equipment declined significantly from previous levels, as shown in the graph on Page 6. Behind the decline were the exceptional weakness of the highway construction industry in both the U.S. and Canada over the last two years and the necessity of working off field inventories of equipment built and shipped to dealer stocks in anticipation of 1975 paving season business that did not materialize. This inventory work-off, slowed by a reduction in demand, severely depressed shipments of new equipment. In our case, the problem was primarily with asphalt finishers, which lend themselves to dealer inventory. Asphalt plants did not experience the same weakness, and, in fact, 1976 showed much stronger domestic order levels with backlogs significantly higher than at this point a year ago.

Despite the current weakness, we consider the U.S. highway construction market to have strong growth potential for Barber-Greene asphalt construction equipment in the future. During the last twenty years, most of the funds for new construction have gone into completion of the Interstate system, the majority of which was built with concrete. During this period, the secondary system has been neglected to a large extent and has deteriorated seriously, along with some of the earlier and more heavily travelled portions of the Interstate system itself.

At the present time, many of the highways requiring work can be brought up to acceptable standards merely by resurfacing with asphalt overlays. However, if the work is not done, and deterioration continues, major reconstruction, costing several times more, will be required. The responsible governmental agencies are becoming more and more aware of this fact, as is the public, and we expect that this awareness will help to generate the necessary funds in the future. In fact, the federal government, for the first time, has begun allowing use of federal aid funds for reconstruction, resurfacing, and rehabilitation of the Interstate and other portions of the federal highway system.

With our dependence on highways as the primary means of moving people and goods, we feel that the required funds will have to be forthcoming, and that the work will be accomplished to protect our huge investment in the system. The challenge to the asphalt construction industry will be to find innovative ways to reduce the cost per ton of asphalt mix put in place, thereby increasing the amount of paving that can be accomplished with available funds.

When the country does face up to these needs, Barber-Greene will be uniquely positioned to benefit, since asphalt is the most economical means of accomplishing the required resurfacing and is used for the vast majority of this work.

The largest single order ever obtained in Barber-Greene history was received last May by Barber-Greene do Brasil—a $17 million contract to supply aggregate crushing, screening, and materials handling equipment to be used in the construction of the Itaipu hydroelectric project. Itaipu will be constructed on the Parana River between Paraguay and Brazil and will be the largest hydroelectric project in the world, providing electric power to both countries.

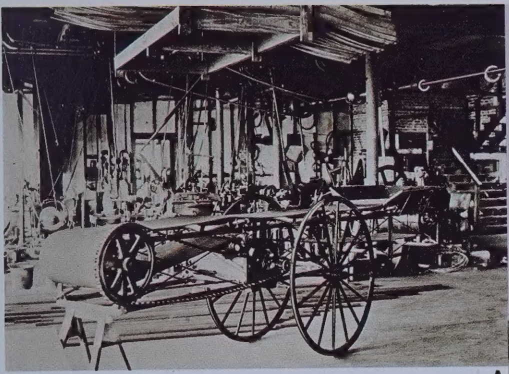
A *This year marks Barber-Greene's 60th anniversary and, as photos indicate, materials handling has changed a great deal over these years. Left photo shows an early Barber-Greene conveyor built in 1916. Photo at right shows a modern portable conveyor with newly designed tension deck screen for high capacity, fine screening applications.*

B *International demand for our asphalt plant equipment continued to be strong. Our plants in England, Canada, Brazil, and the U.S. were all involved in shipping these products to our world markets. This plant is working in Riyadh, Saudi Arabia.*

C *A growing market for farm tiling work is being met with the model TA-57 ditcher. A highly refined hydraulic system features hydrostatic drive for rapid and efficient digging operation.*

D *Gray Boring Mill machines a casting for newly designed Gyrasphere crusher for a major metal mining company at Milwaukee Telsmith Plant. This milling machine is part of the capital expenditure program initiated last year and continued at a reduced pace this year.*

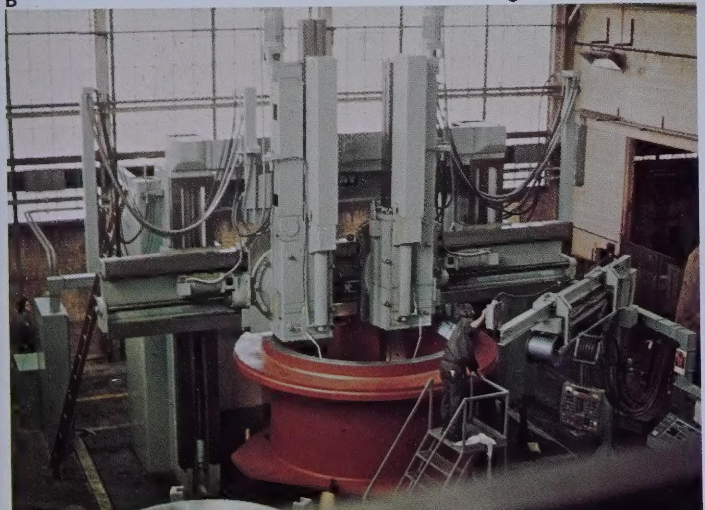
E *Newly introduced DM-50 drum mixing plant, especially suited to highway maintenance and smaller sized paving jobs and offering superior portability was added to the Barber-Greene line of drum mixing equipment.*



A

B

C



D

E

Barber-Greene Canada Ltd. again experienced a very favorable year. A number of projects in Quebec combined with Fabric Filter Dust Collection System sales resulting from new requirements for air pollution control equipment has helped this subsidiary maintain its high level of activity. Canadian and overseas markets for quarry, minerals processing and allied materials handling equipment also continue to offer opportunity in the years ahead, although current Canadian markets for all construction machinery are depressed.

A Western Mining Sales Office was established in Tucson, Arizona, to develop and promote sales of minerals processing equipment, system, and engineering services to the Rocky Mountain metal mining market. This equipment will be used in the mining and transporting of ore in addition to the crushing and grinding circuit in the concentrator. The Western metal mining industry primarily produces copper, lead, zinc, uranium, and molybdenum.

Overseas sales of quarry and minerals processing equipment increased substantially during the year. Many of these orders were for complete aggregate plants, including crushers, screens, feeders, and allied equipment, and materials handling equipment for moving the aggregates between processing operations and stockpiling the finished products. Equipment to fill these orders was produced by our U.S. plants as well as by overseas subsidiaries and licensees. Handling of these orders would have been difficult, if not impossible, without our world-wide manufacturing organization and a well-staffed office in the Middle East which was moved during the year from Beirut to Athens and expanded to meet a growing market. This office, established several years ago, has coordinated a variety of sales and service functions.

Acquisition of Mine and Smelter Corporation of Denver, Colorado, will enable Barber-Greene to add new dimensions to products and services offered to the mining industry and offer an expanded line of minerals processing equipment to the mining market. Mine and Smelter will continue operation in Denver, manufacturing and marketing Marcy Ball and Rod Mills, Skinner Multiple Hearth Furnaces, Akins Classifiers, Massco-Grigsby Pinch Valves, Pulp Density Scales, and other products related to minerals and metallic ore processing.

Telsmith Division export sales increased during the year with a high volume of shipments going to the Middle East and South America while domestic sales continued to reflect the general softness in the capital goods industry. Planned expansion of existing crushing plants by many aggregates producers contribute to a consistently high inquiry level. Product development has moved at a rapid pace during the year with the metals mining market offering great potential for newly developed products as well as Telsmith's current line of minerals processing machinery.

A *Barber-Greene enters the concrete curbing and gutter equipment market with the Vari-Former. Previous testing of the prototype machine has led to a full production model —the most versatile and maneuverable in the slipform paving market.*

B *New 40,000 square foot Contec Controls Division facility in Elgin, Illinois, will house office, research, and manufacturing areas. Demand for Contec products including computerized asphalt plant controls and asphalt finisher controls plus the addition of recently introduced products and the potential for future expansion into related fields makes the move to a larger facility essential.*

C *Crushing equipment manufactured by the Telsmith Division is shown turning what was once considered waste material into highly profitable coarse sand at a Caracas, Venezuela, ready-mix concrete plant. System design was a combined effort between the local dealer and our Telsmith Division.*

D *Increased demand for highway maintenance is being met with new products such as the model SB-131 asphalt paver. The combination of rubber tires and hydrostatic drive makes the unit ideal for highway resurfacing and a wide range of private work.*

E *The ability to remove and recycle worn asphalt pavement and thus conserve aggregate and asphalt will have a major impact on the economics of highway maintenance in the U.S. by reducing the cost per ton of hot mix to government bodies thereby increasing the amount of resurfacing that can be accomplished with available funds. Barber-Greene is actively participating in the development of equipment to make this process viable for contractors as demonstrated here where our drum mix plant has been modified to handle recycled materials.*

F *Marcy Rod and Ball Mills, a principal product of our new Mine and Smelter Corporation subsidiary in Denver, Colorado, have a world-wide reputation for high performance in grinding circuits employed in the mining industry.*

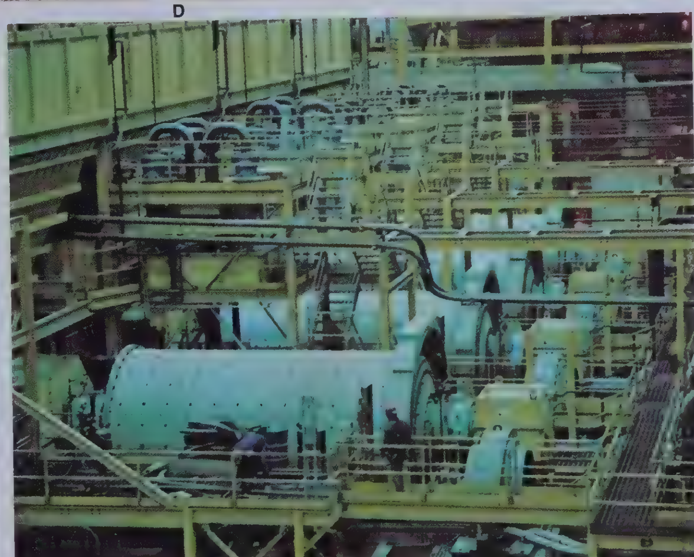

A


B


C


D


E


F

Product development has been an active area during the year with several new products being introduced. The Vari-Former—a concrete curbing machine developed by the recently formed Diversified Construction Equipment Group—is now in full production. A number of these machines were successfully operated during the year, demonstrating substantial technological improvements over competitive machines. This should lead to a broadening of our base of service to the construction industry. In the area of asphalt construction, a new drum mixing plant, smaller than previous models, widens the range of sizes in the drum mixing line, and a new rubber tired, hydrostatic paver has been added to the current line of asphalt paving equipment. In the material handling area, a newly designed sand screening unit and two larger model vibrating screens are being produced by the Telsmith Division, and a heavy duty idler for mining industry use has been developed by our Conveyor Division engineers. Contec Controls Division has also developed a number of new asphalt equipment controls. Refinements to existing ditcher models have resulted in two machines especially suited for the growing farm drainage market.

Mintec International Division, providing engineering and contracting services in the minerals handling and processing and mining fields had another successful year in consulting services and equipment sales. An example of this success is the over $3 million dollar materials handling and processing system for the Dalmine Siderca steel mill operation in Argentina which was recently completed. Mintec handled the job on a design and furnish contract including construction management. The system was built in less than two years and is now operating beyond expected capacity.

Asphalt Pavement Recycling, a newly emerging concept, is one technique that seems to offer considerable hope for reducing resurfacing costs. In the process worn asphalt pavement is reclaimed from roadways and reprocessed into new paving materials. Barber-Greene is actively working on developing the technology, methods and equipment that will allow contractors to do recycling work with minimal modification to their existing asphalt plants. If successful, the concept will not only reduce in-place pavement costs but will also conserve our nation's asphalt and aggregate supplies.

The Wisconsin Branch Office, located outside Milwaukee, was opened during the year to serve asphalt construction and aggregates producing markets in Wisconsin and the construction market in the Upper Peninsula of Michigan. Other branch offices are located in Boston; San Francisco; North Aurora, Illinois; and Milton, Ontario.

A *Barber-Greene Material Handling System at this Florida concrete products manufacturing plant greatly contributes to the rapid and efficient production of concrete mix, block, and pipe.*

B *A tunnel excavating machine manufactured at our DeKalb Plant for the Zokor Corporation, an Illinois tunneling machine designer, weighs 70 tons and is 400 feet long. It is now being used to dig a segment of the Washington, D. C. subway system.*

C *New solid-state truck scale data terminal manufactured by our Contec Controls Division can improve the operation of any new or existing truck scales. Stored information listing customer, product, or job subtotals are available on request at any time.*

D *The commercial drum mixing plant offers the mix flexibility of a batch plant with the economy features of a drum mixing plant. Advanced computer control design allows mix specifications to be changed quickly and easily—maintaining constant production of a variety of sizes.*

E *Significant product improvements were made in the asphalt finisher line including an all new steel track for our most popular paver, the model SA-150.*

F *Telsmith Tandem Screening Plant provides two screening functions on a single chassis. This unit is popular with portable sand and gravel operators to meet tighter specifications for aggregate used for asphalt hot mix.*

A

B

C

D

E

F

Consolidated Statements of Earnings and Retained Earnings

	YEAR ENDED August 28, 1976	August 30, 1975 (Restated)
STATEMENTS OF EARNINGS		
REVENUES		
Net sales	$133,582,143	$133,325,739
Other income, net	3,147,396	2,919,379
	136,729,539	136,245,118
COSTS AND EXPENSES		
Cost of goods sold	96,979,888	95,458,583
Selling, administrative and product development	26,485,206	26,370,245
Interest	3,163,399	4,574,511
	126,628,493	126,403,339
EARNINGS BEFORE INCOME TAXES AND MINORITY INTERESTS	10,101,046	9,841,779
Provision for income taxes	3,394,000	3,628,000
	6,707,046	6,213,779
Minority interests	1,142,928	897,261
NET EARNINGS	$ 5,564,118	$ 5,316,518
Earnings per share of common stock		
Primary	$ 3.60	$ 3.49
Assuming full dilution	$ 3.27	$ 3.12

STATEMENTS OF RETAINED EARNINGS

	August 28, 1976	August 30, 1975 (Restated)
Retained earnings beginning of year		
As previously reported	$ 36,774,473	$ 32,145,884
Adjustments (Note 1)	472,885	344,889
As restated	37,247,358	32,490,773
Net earnings	5,564,118	5,316,518
Cash dividends \$.55 and \$.36⅔ per share	(852,922)	(559,933)
Retained earnings end of year	$ 41,958,554	$ 37,247,358

The accompanying notes are an integral part of the financial statements.

Consolidated Balance Sheets

	August 28, 1976	August 30, 1975 (Restated)
ASSETS		
CURRENT ASSETS		
Cash	$ 4,701,001	$ 5,029,212
Receivables	25,712,299	29,555,368
Refundable income taxes	491,667	
Inventories	54,181,789	56,583,233
Other	1,566,151	697,804
TOTAL CURRENT ASSETS	86,652,907	91,865,617
PROPERTY, PLANT AND EQUIPMENT		
Land	1,051,279	1,051,279
Buildings and property improvements	17,254,758	17,072,802
Machinery and equipment	24,350,888	22,474,974
	42,656,925	40,599,055
Less accumulated depreciation	20,739,703	19,656,950
	21,917,222	20,942,105
UNEXPENDED CONSTRUCTION FUNDS, held by Trustee		472,001
OTHER ASSETS	512,256	566,459
TOTAL	$109,082,385	$113,846,182
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes payable	$ 3,758,197	$ 15,075,059
Accounts payable	11,800,639	13,031,905
Accrued liabilities	9,186,601	6,934,560
Income taxes	5,417,183	3,497,172
TOTAL CURRENT LIABILITIES	30,162,620	38,538,696
LONG-TERM DEBT	17,232,453	19,419,701
CONVERTIBLE SUBORDINATED DEBENTURES	1,791,000	2,347,000
DEFERRED INCOME TAXES	3,499,375	3,192,218
MINORITY INTERESTS	6,101,492	5,304,194
STOCKHOLDERS' EQUITY		
Common stock, $5 par value; authorized 2,000,000 shares, outstanding 1,581,884 and 1,025,710 shares	7,909,420	5,128,550
Paid-in surplus	427,471	2,668,465
Retained earnings	41,958,554	37,247,358
TOTAL STOCKHOLDERS' EQUITY	50,295,445	45,044,373
TOTAL	$109,082,385	$113,846,182

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Changes in Financial Position

	YEAR ENDED	
	August 28, 1976	August 30, 1975 (Restated)
SOURCE OF FUNDS		
Operations		
Net earnings	$ 5,564,118	$ 5,316,518
Items not requiring funds		
Depreciation	1,972,798	1,753,314
Deferral of income taxes, noncurrent	307,157	108,750
Minority interests in subsidiary earnings	1,142,928	897,261
Funds from operations	8,987,001	8,075,843
Issuance of common shares upon conversion of debentures	539,876	196,283
Construction funds expended by Trustee	472,001	2,044,555
Other	203,379	561,508
Total funds provided	10,202,257	10,878,189
USE OF FUNDS		
Cash dividends	852,922	559,933
Additions to property, plant and equipment	3,097,091	4,872,369
Reduction of long-term debt and debentures	2,743,248	1,333,090
Distribution to minority interests	345,630	131,889
Total funds used	7,038,891	6,897,281
Working capital increase	$ 3,163,366	$ 3,980,908
CHANGES IN COMPONENTS OF WORKING CAPITAL		
Current assets		
Cash	$ (328,211)	$ 1,590,486
Receivables	(3,843,069)	3,072,094
Refundable income taxes	491,667	
Inventories	(2,401,444)	6,930,340
Other	868,347	42,379
Increase (decrease) in current assets	(5,212,710)	11,635,299
Current liabilities		
Notes payable	(11,316,862)	4,386,943
Accounts payable and accrued liabilities	1,020,775	1,969,216
Income taxes	1,920,011	1,298,232
Increase (decrease) in current liabilities	(8,376,076)	7,654,391
Working capital increase	$ 3,163,366	$ 3,980,908

The accompanying notes are an integral part of the financial statements.

Notes to Consolidated Financial Statements

1. Summary of Accounting Policies

The following is a summary of the significant accounting policies followed in the preparation of the consolidated financial statements which include the accounts of the Company and its Subsidiaries.

Foreign Currency Translation

Accounts of foreign subsidiaries are translated at rates of exchange current at their year-end, except for inventories and property, plant and equipment which are translated at rates prevailing at the time of their acquisition. Revenues, costs and expenses are translated at average rates of exchange in effect during the year, except for items translated at historical rates. Credits of $387,979 and $32,504, principally arising from translation, are included in net earnings in 1976 and 1975, respectively. These amounts represent exchange adjustments resulting from the fluctuation of foreign currencies.

In 1976, the Company changed its method of translating the accounts of foreign subsidiaries to comply with a statement issued by the Financial Accounting Standards Board. This accounting change had the effect of increasing 1975 net earnings by $127,996 ($.09 per share). The financial statements for 1975 have been restated to reflect this change in accounting.

Long-Term Contracts and Installment Sales

For major long-term contracts, the Company accrues both revenue and cost on a percentage of completion basis. For tax purposes, income on these contracts is deferred until completion of the contract. The domestic companies defer, for tax purposes only, income on installment sales until collected.

Inventories

Inventories are stated principally at the lower of first-in, first-out cost or market.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred and expenditures for major renovations are capitalized.

Depreciation is principally computed by the straight-line method for financial accounting purposes and on the basis of accelerated methods authorized by the respective governments for tax purposes.

Income Taxes

Investment tax credits are accounted for under the flow through method, which reduces the provision for federal income taxes in the year the related properties are placed in service.

The Company follows the policy of reinvesting undistributed earnings of subsidiaries and, accordingly, related income taxes are not provided thereon. At August 28, 1976, the cumulative amount of such undistributed earnings amounted to approximately $13,600,000.

Retirement Plan Costs

Retirement plan costs, including amortization of prior service costs, are accrued and funded on a current basis. Prior service costs are amortized principally over 40 years.

2. Foreign Operations

Amounts included in the consolidated financial statements for subsidiaries located outside of the United States and Canada, after elimination of intercompany transactions and minority interests, are as follows:

	1976	1975
Working capital	$ 9,462,007	$ 9,370,281
Net assets	15,310,734	13,304,286
Net sales	44,979,276	41,134,920
Net earnings	1,357,366	743,470

Dividends received amounted to $618,398 in 1976 and $259,082 in 1975.

3. Receivables

Receivables include notes of $1,568,921 at August 28, 1976 and $2,033,451 at August 30, 1975 arising principally from installment sales of which $267,281 and $165,400, respectively, were due beyond one year.

The Company has agreements with various banks which provide, among other things, for the discounting of qualified domestic export receivables up to a maximum of $12,500,000, of which $1,816,161 has been utilized as of August 28, 1976.

At August 28, 1976, the Company is contingently liable for discounted receivables of $4,860,000.

4. Notes Payable and Lines of Credit

Notes payable include bank loans and current maturities of long-term debt. At August 28, 1976 and August 30, 1975, bank loans of $3,170,734 and $14,557,665, respectively, were outstanding with average interest rates of 9.3% and 10%, respectively. Short-term borrowings averaged $11,977,000 during 1976 and $16,288,000 during 1975 with a maximum of $17,612,000 in 1976 and $20,555,000 in 1975 outstanding at any one time. The weighted average interest

rates (computed on the basis of average borrowings related to interest expense) were approximately 8.3% and 11% in 1976 and 1975, respectively.

Information with respect to available lines of credit with various banks and outstanding borrowings thereunder at August 28, 1976 and August 30, 1975 is as follows:

	1976	1975
Short-term financing:		
Lines of credit	$22,676,695	$26,527,926
Borrowings	2,754,329	11,972,599
Long-term financing:		
Lines of credit	5,430,640	5,688,800
Borrowings	4,000,000	5,524,365

At August 28, 1976, the Company is required to maintain average compensating balances of $2,825,000, of which $800,000 relates to long-term financing. Compensating balance requirements are under informal arrangements and are determined from the respective bank's records after adjustments for estimated uncollected funds.

5. Long-Term Debt and Debentures

	August 28, 1976	August 30, 1975
Long-term debt consists of:		
Domestic Bank Credit Agreement terminating March 1979, interest at ½% over prime rate	$ 4,000,000	$ 4,000,000
8.9% note, due April 1991, payable $375,000 semiannually beginning October 1979	9,000,000	9,000,000
Industrial Revenue Bonds due July 1992, payable annually in graduated amounts from $100,000 to $200,000 beginning July 1977, interest at rates varying between 5¾% and 6¾%	3,000,000	3,000,000
Foreign loans, principally banks, interest at average rates of 7.6% and 11.3%, respectively	1,639,916	3,697,095
Other	180,000	240,000
	17,819,916	19,937,095
Less current maturities	587,463	517,394
	$17,232,453	$19,419,701
Convertible subordinated debentures:		
6½% subordinated debentures due November 1986, with annual sinking fund requirement, convertible at $12.83 per share into common stock of the Company	$ 1,791,000	$ 2,347,000

The Industrial Revenue Bonds were issued by a governmental authority to provide for construction of a plant leased by the Company. The cost of the plant was capitalized by the Company and title to the property and equipment remains with the governmental authority until the bonds are fully paid.

At August 28, 1976 property, plant and equipment with a net book value of $2,519,000 and inventories of $1,337,000 of foreign subsidiaries are pledged as collateral for current and long-term foreign bank loans amounting to $2,361,-126.

6. Stockholders' Equity

On October 23, 1975, the Board of Directors declared a three-for-two stock split effected in the form of a 50% dividend on the Company's stock payable December 10, 1975 to stockholders of record on November 21, 1975. The per share data in the consolidated financial statements give effect to the stock split. The par value of the 512,984 shares issued amounted to $2,564,920 and has been transferred from paid-in surplus to the common stock account.

43,190 shares and 10,532 shares of common stock were issued in 1976 and 1975, respectively, upon conversion of debentures resulting in increases in common stock and paid-in surplus of $215,950 and $323,926, respectively, in 1976 and $52,660 and $143,623, respectively, in 1975. At August 28, 1976, 139,559 shares of common stock are reserved for conversion of the subordinated debentures.

The agreements relating to long-term debt contain covenants which, among other things, restrict the payment of cash dividends and require the maintenance of net current assets at a specified amount. At August 28, 1976, retained earnings of $3,915,000 were free from dividend payment restrictions.

7. Other Information

Other income, net includes licensee fees, financing income, and exchange adjustments resulting from foreign currency fluctuations.

Certain amounts in the 1975 statement of earnings have been reclassified to conform with the 1976 presentation.

8. Retirement Plan

Retirement benefits are provided to substantially all employees through Company sponsored retirement programs. Total pension expense amounted to $764,851 in 1976 and $681,454 in 1975. At the most recent actuarial valuation date, retirement fund assets exceeded the actuarially computed value of vested benefits.

9. Research and Product Development Costs

Research and product development costs charged against earnings amounted to $1,686,169 and $1,832,640 in 1976 and 1975, respectively.

10. Income Taxes

A summary of the provision for income taxes is as follows:

	1976	1975
Currently payable:		
Federal	$(1,250,000)	$1,037,000
Foreign	3,033,000	1,261,000
State	154,000	149,000
	1,937,000	2,447,000
Deferred:		
Federal	254,000	758,000
Foreign	1,141,000	354,000
State	62,000	69,000
	1,457,000	1,181,000
	$ 3,394,000	$3,628,000

The provision for deferred income taxes results from the following timing differences:

	1976	1975
Income from long-term contracts, installments sales and other	$ (196,000)	$ 195,000
Depreciation	716,000	83,000
Utilization of tax credits	(384,000)	(21,000)
Export earnings	429,000	392,000
United Kingdom inventories	919,000	395,000
Other, net	(27,000)	137,000
	$1,457,000	$1,181,000

In 1976 and 1975, the effective tax rates were 33.6% and 36.9%, respectively, as compared to the statutory Federal rate of 48%, which are reconciled as follows:

	1976	1975
Provision for income taxes using statutory rate	$4,849,000	$4,724,000
Foreign subsidiary earnings subject to varying tax rates of the respective countries	75,000	(148,000)
Domestic tax incentives on export earnings	(1,297,000)	(874,000)
Investment tax credits	(225,000)	(323,000)
Other, net	(8,000)	249,000
	$3,394,000	$3,628,000

The current income tax liability includes deferred income taxes of $2,804,719 and $1,654,705 in 1976 and 1975, respectively.

11. Earnings Per Share

Earnings per share of common stock are based on the average number of shares outstanding during each year. Fully diluted per share amounts assume conversion of the subordinated debentures into common shares and the elimination of interest, less related income tax.

12. Subsequent Event

On October 19, 1976, the Company purchased 98.6% of the common stock of Mine and Smelter Corporation (M & S) for $866,684. M & S, a manufacturer of machinery used for processing various mineral ores, was under Chapter XI bankruptcy proceedings prior to acquisition by the Company. In connection therewith, the Company has guaranteed $1,275,000 of long-term notes issued by Mine and Smelter Corporation to certain of its creditors.

The purchase price will be allocated to tangible assets acquired and liabilities assumed. Due to the proceedings under the bankruptcy laws, pro forma results of the continuing operations are not available.

Independent Auditors' Report

TO THE STOCKHOLDERS OF
BARBER-GREENE COMPANY

We have examined the consolidated balance sheets of Barber-Greene Company and Subsidiaries as of August 28, 1976 and August 30, 1975 and the related consolidated statements of earnings, retained earnings and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The financial statements of certain foreign subsidiaries, which reflect total assets and net sales constituting 30% and 34%, respectively in 1976 and 29% and 31%, respectively in 1975 of the related consolidated totals, were examined by other auditors whose reports thereon have been furnished to us. Our opinion expressed herein, insofar as it relates to the amounts included for such foreign subsidiaries, is based solely upon the reports of such auditors.

In our opinion, based upon our examination and the reports of the other auditors, the aforementioned financial statements present fairly the consolidated financial position of Barber-Greene Company and Subsidiaries at August 28, 1976 and August 30, 1975, and the consolidated results of their operations and changes in financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis after restatement for the change, with which we concur, in the method of translating the accounts of foreign subsidiaries as described in Note 1 to the financial statements.

COOPERS & LYBRAND

Aurora, Illinois
October 19, 1976

Summary Information

Summary of Operations

	1976	1975	1974	1973	1972
Net Sales	**$133,582,143**	$133,325,739	$107,671,269	$98,823,044	$84,045,369
Cost of Goods Sold	**96,979,888**	95,458,583	80,837,330	75,945,314	63,586,295
Interest Expense	**3,163,399**	4,574,511	3,058,162	2,057,179	1,801,573
Income Taxes	**3,394,000**	3,628,000	1,906,000	1,272,000	952,000
Minority Interests	**1,142,928**	897,261	643,023	343,276	302,615
Net Earnings	**5,564,118**	5,316,518	3,491,044	2,302,888	1,724,695
Per Share Data*					
Primary Earnings	**$3.60**	$3.49	$2.29	$1.51	$1.13
Fully Diluted Earnings	**3.27**	3.12	2.07	1.38	1.05
Cash Dividends	**.55**	.36⅔	.30	.26⅔	—

*Per share data adjusted for a three-for-two stock split in the form of a 50 percent stock dividend declared October 23, 1975. 1972 thru 1975 has been Restated per Note 1.

Management's Discussion and Analysis of the Summary of Operations

In 1976 the Company changed its method of translating the accounts of foreign subsidiaries to comply with a statement issued by the Financial Accounting Standards Board. As a result the financial statements, the Ten Year Review and the 5-Year Summary of Operations have been restated to reflect this change. In prior statements, inventories were translated at current rates of exchange and the translation adjustments, including those related to inventories, were included in other income. Inventories are now translated at rates prevailing at the time of their acquisition and charged to cost of goods sold at those rates. Translation gains of $387,979 and $32,504, for 1976 and 1975, respectively, which no longer include the effect of translating inventories, are included in net earnings.

Net sales and selling, administrative, and product development expense in the 1975 statement of earnings have been reclassified to conform with the 1976 presentation. The change in classification was made in the fourth quarter of 1976 and prior quarters have also been reclassified for comparative purposes.

1976 vs. 1975

Net sales for 1976 reflect very little change over 1975 due to the continued softness in the construction industries in the United States and Europe. The balance of the international market continued strong as 62% of the total consolidated net sales for 1976 were either exported or manufactured abroad compared to 51% in 1975.

During 1976 the cost of goods sold to net sales ratio deteriorated slightly compared to 1975's ratio primarily from unused capacity in the United States. Selling, administrative, and product development expenses were well controlled and represent less than a 1% increase. Research and development expenses, although slightly below prior year's record level, continue to reflect the effort put forth in this area.

Interest expense was reduced substantially for 1976 from a high of $4,574,511 in 1975 to $3,163,399 or a 30.8% decrease. This decrease results from a general decline in interest rates and attainment of a major goal of debt reduction during 1976. The debt reduction of more than $13,500,000 was obtained through reductions in receivables and inventories, as well as the use of funds provided from operations.

The income tax reduction is a direct result of incentives on export earnings primarily from tax benefits of a DISC subsidiary. Net earnings were improved by 4.7% over 1975 primarily on the strength of the earnings from the foreign subsidiaries which also reflects the significant increase in minority interest charges.

1975 vs. 1974

Net sales in 1975 increased by 23.8% over 1974 to an all time high. The substantial increase was due to the continued strong international market and price increases required to cover substantially increased inflationary costs.

During 1975 the ratio of cost of goods sold to net sales continued to show improvement. This is a result of effective timing of price increases to offset rapidly increasing inflationary costs, and entering the fiscal year with record backlogs

with reduced shortages due to an improved materials availability resulting in operating efficiency improvements.

Interest expense increased from $3,058,162 to $4,574,511 due to higher long-term debt levels for all of fiscal 1975 resulting from the major refinancing program late in fiscal 1974 required for major capital expenditures. Also, worldwide inflationary costs have increased operating inventory levels and the average short-term borrowings associated with working capital requirements were also higher than the prior year and increased interest costs.

Maintenance and repair costs show increases of 15.2%, reflecting the inflationary impact on this type of expense plus slightly above normal maintenance on machinery and equipment. Payroll taxes increased by 16.5% which also reflects inflation on wages and an increased number of employees for 1975. Research and development costs were significantly higher relating to the design of electronic control systems, two new equipment development programs, and a continued expansion in the quarry and mineral processing equipment class of product.

Income taxes provided on earnings increased from $1,906,000 to $3,628,000 which is primarily a result of the substantially improved earnings from higher sales volumes and improved cost of sales ratios. Although investment tax credits and tax benefits from a DISC subsidiary increased in 1975, the effective tax rate increased primarily due to the improved earnings of a foreign subsidiary with a higher tax rate.

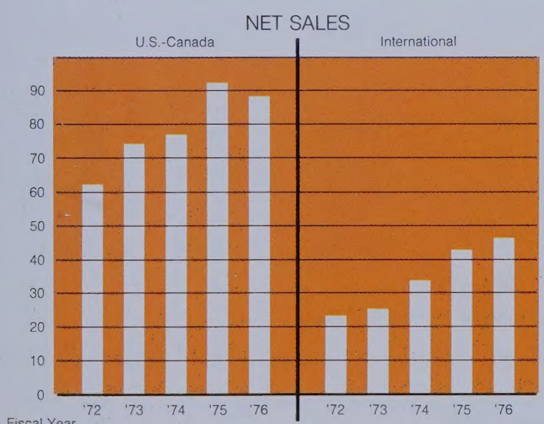
Summary of dividends per share*

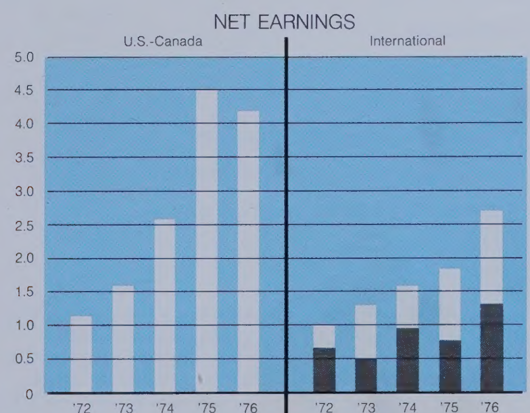
	1976	1975
1st quarter	$.10	$.08⅓
2nd quarter	.15	.08⅓
3rd quarter	.15	.10
4th quarter	.15	.10

Summary of common stock prices (bid)*

	1976		1975	
	High	Low	High	Low
1st quarter	$14½	9⅜	$ 6	4¾
2nd quarter	13¾	9¾	8	5
3rd quarter	13⅝	12⅜	10½	6⅝
4th quarter	17¼	12⅝	17	9⅝

*Dividends per share and common stock prices for the 1st Quarter of 1976 and for the fiscal year 1975 have been adjusted to reflect a three-for-two stock split payable in the form of a 50% stock dividend declared October 23, 1975.





The U.S.-Canada bars graph the consolidated net sales and net earnings for companies based in U.S. and Canada including the effects of our U.S.-Canada exports. The International bars graph the net earnings of other subsidiaries against their net sales. The International shaded bars represent the additions to U.S.-Canada net earnings resulting from consolidation of International operations after elimination of dividends, fees, minority interests, and other inter-company transactions.

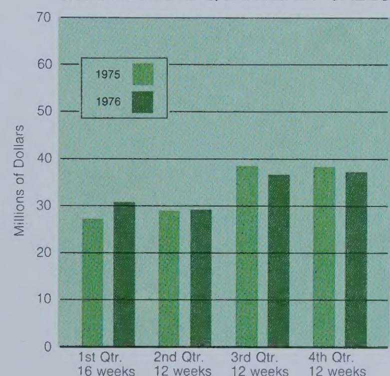
Ten Year Review (Restated)[1]

	1976	1975	1974	1973
OPERATING DATA IN THOUSANDS OF DOLLARS				
Net Sales	$133,582	$133,326	$107,671	$98,823
Earnings before Income Taxes and Minority Interests	$ 10,101	$ 9,842	$ 6,041	$ 3,918
Net Earnings	$ 5,564	$ 5,317	$ 3,491	$ 2,303
Earnings before Income Taxes and Minority Interests to Net Sales	7.6%	7.4%	5.6%	4.0%
Net Earnings to Net Sales	4.2%	4.0%	3.2%	2.3%
Net Earnings to Average Stockholders' Equity	11.7%	12.5%	9.1%	6.4%
FINANCIAL DATA IN THOUSANDS OF DOLLARS				
Stockholders' Equity	$ 50,295	$ 45,044	$ 40,092	$37,057
Dividends Declared	$ 853[4]	$ 560	$ 457	$ 406
Working Capital	$ 56,490	$ 53,327	$ 49,346	$44,457
Net Properties	$ 21,917	$ 20,942	$ 17,891	$15,707
Additions to Properties	$ 3,097	$ 4,872	$ 3,915	$ 2,421
Provision for Depreciation	$ 1,973	$ 1,753	$ 1,646	$ 1,528
Long-term Debt and Debentures	$ 19,023	$ 21,767	$ 23,100	$17,228
PER SHARE DATA[4]				
Net Earnings	$ 3.60	$ 3.49	$ 2.29	$ 1.51
Cash Dividends	$ .55	$ .36⅔	$ .30	$ .26
Book Value	$ 31.79	$ 29.28	$ 26.33	$ 24.33
OTHER INFORMATION				
Number of Employees—Year End	3,364	3,604	3,486	3,322
Average Number of Shares Outstanding	1,545,654	1,525,017	1,522,767	1,522,767
Number of Stockholders—Year End	2,160	1,781	1,970	1,941
Net Sales per Employee	$ 39,709	$ 36,994	$ 30,887	$29,748

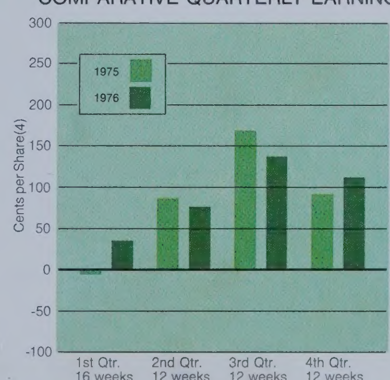
(1) Restated to comply with a statement issued by the Financial Accounting Standards Board.
(2) Depreciation methods changed to straight-line in 1969.
(3) Includes extraordinary credits of $89,000 ($.06 per share) in 1971 and $74,875 ($.05 per share) in 1970 arising principally from the sale of the Canadian Plant and related tax effects.
(4) A three-for-two stock split in the form of a 50 per cent stock dividend was declared in 1976 in addition to the cash dividend. Per share data adjusted for the three-for-two stock split declared in 1976.

1972	1971	1970	1969	1968	1967
$84,045	$78,369	$76,458	$72,765	$69,662	$69,608
$ 2,915	$ 2,333	$ 3,233	$ 1,965	$ 4,656	$ 5,373
$ 1,725	$ 1,419(3)	$ 1,547(3)	$ 917	$ 2,062	$ 2,674
3.5%	3.0%	4.2%	2.7%	6.7%	7.7%
2.0%	1.8%	2.0%	1.3%	3.0%	3.8%
5.0%	4.4%	5.0%	3.0%	6.9%	9.5%
$35,160	$33,266	$31,847	$30,300	$30,398	$29,239
—	—	—	$ 1,015	$ 1,014	$ 999
$42,032	$41,063	$32,740	$31,510	$32,606	$31,320
$14,960	$14,061	$14,113	$14,478	$14,124	$14,079
$ 2,418	$ 1,344	$ 2,253	$ 1,682	$ 1,637	$ 1,945
$ 1,420	$ 1,360	$ 1,306	$ 1,255(2)	$ 1,518	$ 1,479
$16,492	$17,522	$11,957	$ 8,046	$ 8,546	$ 8,670
$ 1.13	$ .93(3)	$ 1.02(3)	$ .60	$ 1.35	$ 1.79
—	—	—	$ .66⅔	$ .66⅔	$ .66⅔
$ 23.09	$ 21.85	$ 20.91	$ 19.90	$ 20.01	$ 19.53
3,260	3,203	3,513	3,462	3,406	3,100
522,767	1,522,767	1,522,767	1,522,767	1,519,277	1,497,077
2,057	2,300	2,408	2,519	2,496	2,438
$25,781	$24,467	$21,764	$21,018	$20,453	$22,454

COMPARATIVE QUARTERLY SALES



COMPARATIVE QUARTERLY EARNINGS



BARBER-GREENE T.M.

Anticipating Tomorrow

12M1075H&E